

Weather
Fair today and Sunday,
warmer with lower humidity
today; cloudy at times on
coast. Max. temp. Friday 80,
min. 54. River -4.2. NW
wind.

Going Away?
Going on a vacation this
month? Let The Statesman
follow you to bring news
from home, along with
word and up-to-the-minute
photo pictures of events
from abroad.

NINETYETH YEAR

Industry Will Get Attention, Flax Festival

Serious Program Slated Today Followed by Tour of Plant

Queen Dorothy Crowned; Parade Is Scheduled This Afternoon

MT. ANGEL, Aug. 9.—Leaving behind the gaiety of Friday night's coronation of Queen Dorothy I by Governor Charles A. Sprague and the queen's ball, Mt. Angel's residents and their distinguished flax-minded guests Saturday will turn their attention to the serious aspects of the flax industry in Oregon.

At 10 a. m. the flax board, headed by Joseph Berni, president, F. J. Schwab, manager, and Father Alcui will meet with some 60 representatives of state, counties, cities and civic organizations at the flax plant. Included among them will be Leo Spitzbart, state fair director, Professor Hyslop and Dean William A. Schoenfeld of Oregon State college.

The plant will be in full operation and the visitors will be shown all phases of the industry. Not only these distinguished visitors, but all those wishing to become acquainted with the different processes in the production of linen fiber will be welcomed at the plant. Guides will be provided to give full explanation.

After the tour of the flax plant the special guests will be taken to St. Mary's school to see the work of the Mt. Angel Weaving guild, Mt. Angel's youngest cooperative.

Notables to Speak at Two Meetings

Luncheon at St. Mary's school will follow. Flax will be the subject of brief talks by Dean Schoenfeld, talking for the federal government, E. J. Griffith, representing the WPA, Father Alcui voicing the hopes of the local community, and Mr. Berni, speaking for the flax board.

At 1:30 p. m. there will be a speaking program for the general public from the reviewing stand at the city hall. Some of the speakers will be: Secretary of State Earl Snell; R. E. Riley, acting mayor of Portland; Don Ross, representative of the Portland chamber of commerce; C. P. Bishop of Salem and Marshal Dana of the Oregon Journal.

Other dignitaries who will be present are Ralph Clyde, city commissioner of Portland; Walter E. Pearson, state treasurer; David DeLoe, secretary of the board of control; and Miss Harriet Long, state librarian.

Grand Parade Is Scheduled at 2:30

The grand flax, industrial and floral parade is scheduled for 2:30 p. m. About 40 entries have been signed up. There will be three divisions: decorated floats, marching bodies and bands and drum corps. A silver cup will be offered as first prize in each division, with ribbons for second and third places. There will also be a sweepstakes cup for the outstanding entry.

The line of march for the parade will be as follows: Form at St. Mary's school; on Church to Main, north on Main to College, east on College to Sheridan, north on Sheridan to Taylor, east on Taylor to Alder, south on Alder to College, west on College to Main, cross Main to Railroad, south on Railroad to West Church, east on Church past the reviewing stand and back to the school ground.

Three out-of-town guests will be chosen to act as judges.

The prizes will be awarded the winners by Queen Dorothy I at the reviewing stand.

At 7 p. m. Sheriff Andy Burk and his mounted posse of Salem will give exhibition drills, and at 8 p. m. a variety show consisting of a motion picture and six special vaudeville features will be presented.

Bean Pickers Are Injured In Crash

WEST STAYTON, Aug. 9.—Three bean pickers were injured, two seriously, when their sedan crashed into a moving freight train at the Southern Pacific crossing here at 8:30 tonight.

William McKee suffered a severe ankle fracture and Dan Walton received a possible brain concussion. Both were sent to Salem General hospital.

The driver, Ralph Goforth, escaped with minor injuries. The trio have been living in a camp near McClellan's store here. The car they were driving, which was registered to Robert Lee of Tracy, Calif., was demolished.

The 1940 Fall Opening sponsored by the Salem Ad club will be held on Friday, August 30, the club decided at its meeting yesterday. Holding the opening on this date will enable merchants to hold over their special merchandise displays into state fair week, September 2 to 7. President Bert Reynolds said.

Fall opening committees will be appointed next week.

Last High Tide Ebbs; No Blitzkrieg

Pacific Region In Most Peril

Holman Avers

Conscription Bill Under Debate; Gravity of Emergency Topic

By RICHARD L. TURNER
WASHINGTON, Aug. 9.—(AP)—The senate's debate on peace-time conscription began today with Senator Sheppard (D-Tex.) declaring democracy is imperilled everywhere and Senator Wheeler (D-Mont.) scornfully asserting that those who fear a Nazi invasion should summon courage to seek an immediate declaration of war on Germany.

A momentary air was created when Senator Holman (R-Ore.), seeking to show that Japan, not Germany, is "the number one threat to our peace," said he had learned from "authoritative military sources" of the "imminent peril of an invasion of Alaska from the Pacific and the endangering of the entire Pacific slope." Later, he added, however, that so far as he knew "no one is mobilizing their forces now."

Meanwhile the house ways and means committee was at work on tax plans including a proposal that manufacturers who must expand their plants to fill defense orders be permitted to deduct the cost from their taxable earnings over a period of five years.

Secretary Stimson testified that as tax law now stands such manufacturers face an abnormal risk because enlargement undertaken at the government's request may be useless after a few years. Another defense development was a disclosure that the navy would strengthen its garrison at Guantanamo Bay, Cuba, by sending 2,000 marines there from Quantico, Va., next month. Guantanamo Bay is an important base for warships guarding the eastern approaches to the Panama canal.

Danaher Questions Emergency's Nature

The senate debate began with an exposition of the pending bill under which all men between 21 and 30, inclusive, would be subject to selective military training. Senator Sheppard, chairman of the military affairs committee, said developments a broad had surprised the committee.

(Turn to page 2, col. 1)

10,000 Homeless, Louisiana Floods

Worse Than in '27, Word; Relief Agencies Are Mobilizing Forces

CROWLEY, La., Aug. 9.—(AP)—Red Cross state federal agencies hurriedly mobilized their forces today to administer emergency aid to 10,000 refugees driven from their homes in southwest Louisiana by two days of torrential rain which natives said surpassed the landmark flood of 1927.

Answering urgent appeals from Mayor Matt Buatt of Crowley, in the center of the flood, Governor Sam Jones at Baton Rouge swung into action to marshal state, federal and relief agencies to send in supply boats and administer available aid.

The governor in a later afternoon radio broadcast described the situation as "most serious" and declared that "everything possible is being done" to rush aid to the stricken thousands.

Both Crowley and her sister city, Lafayette, similarly stricken, reported the rains let up during the day after flooding the city streets from a few inches to ten feet deep.

Business was paralyzed, highway traffic was flooded out, with transportation limited to boats or main line railroads.

Board to Seek Adjustment, Old Water Utility Tax Bill

First step toward adjustment of the \$27,517 tax bill which has been hanging over the legislature since 1935 was taken last night when Chairman I. M. Doughton named Commissioners E. B. Gabriel and Eugene Grabenhorst as a committee to investigate possibility of settling the matter.

City Attorney Lawrence N. Brown will work with the committee, which will doubtless confer soon with the county court.

The tax bill dropped up shortly after the city took over the system from the Oregon-Washington water service company. It had been assessed while the private utility had been operating the company and was somehow overlooked in the negotiations made by the city with the company.

Interest on the taxes totalling \$7612.95 had accrued by December 31, 1939, according to the last audit of the water commission.

The tax question has been a thorn to the water commission since it first learned of the existence of the tax bill.

Opinions raised from several attorneys at different times have differed on liability of the water commission in the matter of the taxes. The last audit, made by the secretary of state's division of audits, pointed out that interest accrued at the rate of \$2301.36 yearly and said, "obviously the matter should be settled at the earliest possible date."

Commissioners E. B. Gabriel and O. A. Olson were appointed as a committee to consider salary adjustments for water department employees.

Dolls Compete for Playground Honors



In One Ear...

Paul Hauser's Column

We saw a picture of some hop pickers in the paper the other day and realized with a start that the rainy season is at hand. We don't know why, but it isn't long after they start picking that the rains come.

Hop picking is a pleasant diversion if not taken seriously. It should not be attempted in the rain or in the heat, either, for some reason neither rain nor heat seems to deter hop pickers, however. Nobody follows our advice, not even hop pickers.

We have picked hops in our youth. We never got to be a millionaire at it. So far we have never got to be a millionaire at anything else, but we're still looking. Hard to disillusion, that's us.

In our early hop picking period we got up earlier than we ever have since. You can do your best hop picking at dawn, when the dew is heavy and the sun lies low. This may be right, but it makes 10 o'clock in the morning seem like time for a siesta. There must be some Latin blood in us, because we are always looking around for a siesta. A hop vine makes a very pleasant place to sleep, providing you can keep those red bugs out of your ears. The clouds aren't comfortable, but you can ally this with a couple of old hop sacks, if you can stand the smell.

Another good thing to remember when picking hops is that you are thirsty. We used to remember this every 20 minutes and walk half a mile to a pump for a drink. This is a practice which makes it possible to pick very few hops and help out the government, which would just throw them away anyway.

When the rains come, as they are bound to, things grow more difficult. The sensible person, like us, crawls under a hop basket and goes to sleep. Many others, however, just keep on picking hops in the same old rut, figuring the added weight of the rainwater in the hops will increase their check. This shows the ugly, profiteering side of hop picking and also shows that there are quite a few people left around who haven't sense enough to come in out of the rain, especially in hop yards.

Trivial information—That hardy locking citizen who was sitting in Parker's coffee shop on State street across the tracks (Turn to page 2, col. 6)



Winners to their little mistresses, whatever the judges said, were these dolls, top photo, exhibited at Leslie playground yesterday by, left to right, back row, Bolette Grant, Edith Anne Simpson and Lauretta Deacon, and, front row, Helen Jane Albright, Shirley Rae McGinnis and Jimmy Simmons. Funnier of the entries, the judges ruled, were these twin dolls, lower photo, entered by Mary Jane Mefford.—Statesman photos.

117 "Little Parents" Enter Playground Doll Day Event

Fluffy dolls, tattered dolls, cracked and maimed dolls and brand new, shiny dolls were found all over Leslie and Olinger playgrounds yesterday as the playgrounds held their annual doll day.

The little girls (and a few little boys) turned out in force with their dolls, some held tenderly like real flesh and blood babies, some dangled carelessly by a leg or an arm. At Leslie playground there were 66 entries with 150 dolls; at Olinger 51 entries.

Grandmammy of all the dolls was a 70-year old doll whose wearability won first prize in the oldest doll division at Leslie for Harriett Jones, 1760 South High street. Next oldest were those exhibited at Olinger by Donna Johnson, 22 North 21st street, and Donna Mae DeWitt 1110 North Capitol street. Their dolls were both 60 years old and tied for first place at Olinger.

A clothesbasket full of dolls, 50 in all, brought first prize for the largest group at Leslie to Ruth Rae, 2442 Lee street. Loren Rosalter, 1144 Center street, brought 40 dolls to Olinger for a first ribbon there.

Other prizes:

At Leslie:
Largest doll—Janet Kurth, 178 Water street, first; Verlie Malory, 1460 Hines street, second; Mary Ann Bonesteel, 1245 Saginaw street, third.

Prettiest doll—Maryanne Stateville, 1595 South Church street; Marlene Waters, 2575 East Nob Hill street; Jean Thomas, route four.

Oldest Doll—Harriett Jones; Janet Gibson, 1735 South High street (55 years); Alice Louise Ohling, 2055 South High street (40 years).

Smallest doll—Clarice Waters, 2575 East Nob Hill street; Lily Daily, 1910 South 13th street; Betty Schofield, 1155 Cross street.

Funnier doll—Mary Jane Mefford, 2495 South High street; Evelyn Hamrick, 1940 Howard street; Claudia Waters, 575 East Nob Hill street.

At Olinger:
Largest doll—Betty Jean Olson, 1318 North Water street; Barbara Beckley, 510 North 24th street; Marilyn Myers, 916 Market street.

Prettiest doll—Barbara Ryan, 1020 North 19th street; Bettie Cooley, 2270 Center street; Eulice Jean Miller, 115 North Capitol street.

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Americans Enlist, Canada Air Force

OTTAWA, Aug. 9.—(AP)—Several thousand Americans were unofficially reported today to have joined up with the Canadian air force here and in England as pilots, observers, air gunners, mechanics and instructors.

The national defense department said it could not provide any figures because until recently every man enlisting in Canadian forces had to say he was a British subject and had to take the oath of allegiance. Since this stipulation was dropped there was a spurt in enlistments for the air force.

It was reported unofficially that 100 Americans were in the first division of ground troops to go overseas, and the air force is far more popular with Americans than the army.

With the same proportion throughout the Canadian active service force, however, there would be around 1000 Americans in the army alone.

Says Much Timber Can Be Salvaged

McMINNVILLE, Aug. 9.—(AP)—Harry White, Baker creek logging company manager, reported today two-thirds of the 750,000 board feet of felled and bucked timber scorched in Yamhill county's first forest fire of the season could be salvaged.

Workmen brought the 550-acre Baker creek blaze under control by completing a five-mile trail.

Our Senators
Wed. 8-4

School Owned By Methodist Church Is Hit

100 Casualties Reported in Chungking as 900 Buildings Bombed

US Won't Change Policy in Orient, Indicated; Troops to Remain

CHUNGKING, China, Aug. 10.—(Saturday)—(AP)—A dormitory wing of the American Methodist school was destroyed and other buildings of the school were shaken yesterday by Japanese aerial bombs which destroyed more than 900 buildings in this Chinese provisional capital and killed or injured 100 persons.

Damage to the Methodist institution was estimated at about \$10,000.

The bombs blasted at both the crowded older sections and the newly built western suburb of the city, and some exploded along the south bank of the Yangtze river, where the US and other embassies are located. Large fires were started near the US embassy but were extinguished.

Thousands of volunteer policemen and firemen were mobilized to fight seven large separate fires, eventually extinguishing them. The costliest was in a dump of thousands of gallons of vegetable oil awaiting transportation to the United States.

Wounded persons were treated in the American Methodist and Canadian mission hospitals.

One of the buildings which suffered a direct hit was a Chinese YMCA.

American observers counted 105 Japanese bombers over the city in the two-wave raid, worse in many weeks.

WASHINGTON, Aug. 9.—(AP)—The United States adhered to its own position in China tonight despite the withdrawal of British troops to page 2, col. 5)

Bates and Young Gain Promotions

Officers "Pour It on" as Biggest War Games in History Loom up

CAMP MURRAY, Wash., Aug. 9.—(AP)—Promotions announced for the 24th coast artillery, national guard, today included:

Major Arthur B. Bates of Salem to lieutenant colonel in command of the second battalion; Joseph Young of Salem to second lieutenant, headquarters battery, second battalion.

Order for Giant Tanks Disclosed

WASHINGTON, Aug. 9.—(AP)—The army maintained strict secrecy tonight regarding the details of a new monster tank which is to go into production shortly at the Baldwin Locomotive works in Philadelphia.

Officials evidently felt that any information regarding the design of the "land battleship" might prove of value to some foreign nations.

They were displeased by the fact that news of the \$5,689,735 contract with Baldwin for production of the tanks had slipped out in a routine list of contract clearings made public by the national defense commission.

It was assumed that the army's new heavy tanks would resemble the 70-ton giants which have been credited with playing an important part in the German breakthrough of Belgium and French defenses.

McNary Swamped With Bids To Talk; Duties Prevent It

WASHINGTON, Aug. 9.—(AP)—Senator McNary (R-Ore.) republican vice presidential candidate who as minority leader of the senate is one of the busiest members of congress, is literally being swamped with requests to make addresses on route to his notification ceremonies at Salem, Ore., August 27, before he departs and after the ceremony.

The smiling, unperturbed nominee for second place on the republican ticket has declined graciously all invitations, telling those who requested he make addresses in session considering national defense measures, he cannot leave Washington, and that he is making no commitments for making speeches until after his formal notification. He simply says that public matters incident to the session prevent him leaving.

Bombings Continue But Britain Claims Air Assault Fails

Help From Egypt Expected if Italian Troops Invade; Japan Pleased at Withdrawal of Shanghai Force

English Airmen Report Victory Over Libya; Score on Channel Fight Altered in Britain's Favor

(By the Associated Press)

German air raiders hammered heavily at Britain again today.

Loud explosions and the British acknowledgement of two deaths, several injuries and some damage indicated the weight of the blows in southeast, southwest, northeast and northwest England despite the deadly curtains of anti-aircraft bullets fired aloft in the gleam of searchlights.

Still, the five-day period of high summer tides favorable for an invasion attempt ended Friday night with the long-threatened German move on sea and land still withheld.

Britain, fighting a lone battle against Germany and Italy in Europe and Africa, looks to Egypt for military help as soon as Italy makes an expected attack on the historic land of the Nile.

Egypt already has a defensive alliance with Britain and has broken off relations with Germany and Italy. She has served notice she would fight Italy if attacked.

In the orient, Britain drew in her horns to some extent by withdrawing for use elsewhere her troops in Shanghai and North China.

Japan had requested this earlier, and the Japanese press hailed the move as an attempt to reach rapprochement with Japan before the battle of Britain should begin.

A Japanese spokesman said Japan was "very pleased" and expected other belligerent powers to do the same. In Washington, Sumner Welles, acting secretary of state, said US marines stationed in China would remain there.

Japanese Admiral Commando Shangkai

Withdrawal of the British will leave a Japanese admiral, Morijiri Takeda, the commanding officer of Shanghai defense forces at the ranking officer.

Britain, under Japanese pressure, already had closed the Burma road to China, vital for war supplies to the Chinese mainland, Chiang Kai-Shek, in his fight against Japan. Japan also obtained closure of routes through French Indo-China.

Departure of the British "for service elsewhere" will leave 10,000 British subjects and investments estimated at \$300,000,000 (approximately \$800,000,000) to be guarded only by British naval units. British troops first landed in Shanghai about 100 years ago.

American forces in China number about 1650, French 2040 and Italian 205.

Domei, Japanese news agency, reported in Tokyo that the small rightist East China association, Tse K'otai, has given a petition to leading cabinet members demanding an immediate declaration of war upon Britain because of the arrests of Japanese in London.

The Japanese themselves unleashed one of the heaviest of recent air bombardments against Chungking, provisional capital of China.

China carried in her official newspaper a statement that she would aid French Indo-China if the Japanese undermined that colony's territory or political integrity.

Victory for British Air Force Claimed

Meanwhile Britain claimed an overwhelming victory in the biggest air battle yet fought in the near east's developing desert fighting. RAF fighters shot down 15 Italian planes Thursday over Italian Libya next to Egypt and lost two planes despite being outnumbered two to one, the British said.

The Italian version was that they lost two, the British five.

News of this action followed Thursday's great aerial battle over the English channel in which the British claimed to have shot down 60 Nazi planes out of 400 sent against them. Britain acknowledged the loss of 16 British planes, then later announced three of the pilots had landed safely.

Moreover, the British declared three more Nazi planes were shot down in scattered fighting Friday.

In a battle of communications, the German high command asserted the British losses were 49, their own only 10. Meanwhile, over 70,000 tons of shipping were sunk, the Germans declared.

Airmen of both sides continued their night bombing air raids on ports, factories and supply centers. The war thus continued as a blockade and counter-blockade affair.

Aerial Attack Is Deemed Bankrupt

Cost to Germans Declared 4 to 1 Over That to England in Raid

LONDON, Aug. 9.—(AP)—The German campaign of mass air attacks on these islands was declared by some British observers today to be costing the Nazis a great deal more—in money, morale and messerschmitts—than the defenders.

This claim that the air invasion is thus far a bankrupt strategy was put forward on the basis of an official checkup of the results of yesterday's vast raid by 400 German planes on English channel shipping.

For this, said the air ministry, was the score:

German planes destroyed—56.
British planes lost—16.
British shipping destroyed, both by air and the torpedo boat attack that ushered in the air assault, 5039 tons. Seven ships in a convoy were acknowledged damaged, but all were declared taken to port.

(The German score sheet was far different: Berlin claimed that 49 British planes were shot down and 72,000 tons of British shipping sunk.)

This claim, this unofficial commentators reached the conclusion that the net German loss in money (Turn to page 2, col. 1)

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